BOB F. ANDERSON, PE, INC.

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November 14, 2001

Honorable Philip N. Asprodites, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Hosston Formation, Reservoir A Proposed Cotton Valley Zone Reservoir A Swan Lake Field Bossier and Caddo Parishes, Louisiana

Dear Sir:

Application is hereby made on behalf of **PETRO-CHEM OPERATING CO., INC.,** (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Formation, Reservoir A and the Cotton Valley Zone, Reservoir A, Swan Lake Field, Bossier and Caddo Parishes, Louisiana:

FOR THE HOSSTON FORMATION, RESERVOIR A:

1. To establish ten (10) 640 +/- acre drilling and production units for the exploration for and production of gas and condensate for the Hosston Formation, Reservoir A, Swan Lake Field, Bossier and Caddo Parishes, Louisiana, such units bieng designated HOSS RA SU A thru HOSS RA SUJ, shown on the attached plat and being made a part hereof.

FOR THE COTTON VALLEY ZONE, RESERVOIR A:

1. To establish ten (10) 640 +/- acre drilling and production units for the exploration for and production of gas and condensate for the Cotton Valley Zone, Reservoir A, Swan Lake Field, Bossier and Caddo Parishes, Louisiana, such units being designated CV RA SU A thru CV RA SUJ, shown on the attached plat and being made a part hereof.

FOR BOTH, THE HOSSTON FORMATION, RESERVOIR A AND THE COTTON VALLEY ZONE, RESERVOIR A:

1. To force pool and integrate all separately owned tracts, mineral leases and other property property within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.

- 2. To designate a unit operator and unit well where applicable.
- 3. To provide for future wells drilled to the Hosston Formation, Reservoir A and the Cotton Valley Zone, Reservoir A, to be located at least 1,000 feet from unit lines and 2,000 feet between wells.
- 4. To provide for a reclassification of each reservoir by the Commissioner of Conservation by Supplemental Order, without the necessity of a public hearing, if the producing characteristics of the reservoir should change and evidence to justify such reclassification is submitted and accepted by the Commissioner of Conservation.
- 5. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Hosston Formation, Reservoir A, in the Swan Lake Field, Bossier and Caddo Parishes, Louisiana, is to be defined as that gas and condensate bearing interval encountered between the depths of 6,270 feet to 8,710 feet (electric log measurements) in the Petro-Chem Operating Co., Inc. – Lott 14 No. 1 Well, located in Section 14, Township 15 North, Range 11 West, Bossier Parish, Louisiana.

The Cotton Valley Zone, Reservoir A, in the Swan Lake Field, Bossier and Caddo Parishes, Louisiana, is to be defined as that gas and condensate bearing interval encountered between the depths of 9,000 feet to 9,800 feet (electric log measurements) in the Petro-Chem Operating Co., Inc. – Lott 14 No. 1 Well, located in Section 14, Township 15 North, Range 11 West, Bossier Parish, Louisiana.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

A pre-application notice was sent to all parties stating a time and date to discuss the application and any objections thereto, however no request for a conference was received, therefore no conference was held.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

Hon. Philip N. Asprodites Swan Lake Field

Yours truly,

B. F. Anderson, PE for

PETRO-CHEM OPERATING CO., INC.

JBF and

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation Interested Owners, Represented Parties and Interested Parties



